

1995 MONARCH Direct Marketing Buffalo Region

*Success Fed
TAN... By
Zip Code
- St. Louis 3
- California 2*

- Objective:** Increase volume and SOM among competitive smokers for MONARCH in the Buffalo region.
- Strategy:**
1. To target two groups of competitive smokers - competitive savings and full price/savings sensitive - and provide them with incentives to try MONARCH.
 2. To target a third group of competitive smokers - Newport - and provide them with incentives to try MONARCH menthol.
- Tactics:**
- Mail two versions - menthol and multi-style - once per quarter throughout 1995. Offer: (1) B1G1F, (1) B2G1F and (1) \$3.00 4 pks./ctn. in each version.
 - In quarter 3, combine the mailings and create a bounceback of more coupons for those who redeem the coupons.
Offer for mailing: (1) B1G1F and (1) \$3.00 4 pks./ctn
Offer in bounceback: (2) B1G1F and (1) \$2.00 4 pks./ctn.

- YTD Findings:**
1. Redemption rates are significantly higher than estimated
- | | | |
|--------------|-----------------|-----|
| Menthol: | B1G1F | 15% |
| | B2G1F | 11% |
| | \$3 4 pks./ctn. | 13% |
| Multi-Style: | B1G1F | 27% |
| | B2G1F | 20% |
| | \$3 4 pks./ctn. | 25% |

These rates are from 1st quarter mailing. Redemption rates from 2nd quarter are too early to report, but they are redeeming lower than 1st quarter.

2. Total budget based on new estimates for redemption rates is \$400M.

^{3?}
Redemption assumptions for quarters 2 and 4 are:

Menthol	11%
Multi-Style	15%

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Redemption assumptions for quarter 3: (to be mailed mid-December)

Maller	20%
Bounceback	20%

3. Quantities mailed to:

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Qtr. 1, 2, 4 = Menthol ~ 18,700
Multi-Style ~ 35,000
^{4?}
Qtr. 3 = ~ 51,000

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